

**PLEDGE OF COOPERATION AND AGREEMENT UPON
A FRAMEWORK FOR RETIREMENT REFORM AND RELATED BALLOT MEASURE
NEGOTIATIONS**

CITY OF SAN JOSE

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**SAN JOSE POLICE OFFICERS' ASSOCIATION
SAN JOSE FIRE FIGHTERS, IAFF, LOCAL 230**

1. The parties are fully committed to negotiating in good faith to reduce the costs of the Police and Fire Department Retirement Plan and to preserve critical City services and the employees who deliver those services.
2. The parties agree to negotiate concurrently on the issues of retirement reform and related ballot measure(s). Negotiation of retirement reform shall include pension and retiree healthcare benefits for current and future employees, including but not limited to: healthcare benefits; the Supplemental Retiree Benefit Reserve (SRBR); an opt-in program in which current employees could voluntarily choose to opt-out of the current level of pension benefits into a lower level of benefits; and other items as identified through the negotiations.
3. Although the negotiation sessions on retirement reform and related ballot measure(s) will not be public, all written proposals and correspondences exchanged will be made available to the public on the City's website.
4. Any party's relevant subject matter experts may attend negotiation sessions. By mutual agreement of the City and the Unions, other individuals may attend negotiation sessions.
5. It is understood that the parties shall each engage an actuary and work together to develop cost estimates. It is understood that the final costs of any changes shall be determined by the Police and Fire Department Retirement Board's actuary.
6. Estimated cost savings for any proposals during the negotiations shall be supported by facts and data.
7. The parties agree to meet and confer in good faith and agree to complete the negotiation process by October 31, 2011. If the parties are unable to reach an agreement on retirement reform and/or related ballot measure(s) by October 31, 2011, the parties shall proceed to impasse, pursuant to the procedures outlined in the Employer-Employee Relations Resolution No. 39367. In the event of impasse, the POA and IAFF, Local 230 will participate in the impasse procedures collectively. If the parties proceed to binding interest arbitration, in accordance with the applicable provisions under Charter Section 1111, it is understood that the POA and Local 230 will participate in these proceedings separately. Charter Section 1111 shall not apply to bargaining over ballot measures.
8. The parties agree that the Council may, pursuant to its constitutional authority, place charter amendments on the ballot regarding retirement at the conclusion of these

negotiations and mediation.

9. It is understood that, by participating in these negotiations, neither party waives any legal rights, including the Unions' or an employee's rights to assert that certain benefits are vested.

FOR THE CITY



6-20-11

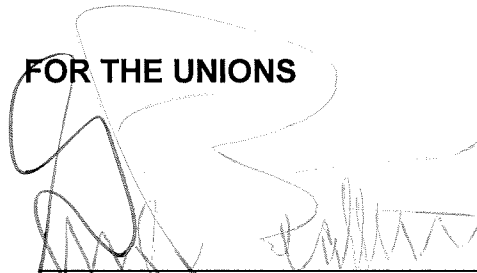
Alex Gurza
Director of Employee Relations



06/20/11


Gina Donnelly
Deputy Director of Employee Relations

FOR THE UNIONS



6/20/2011

George Beattie, President
San Jose Police Officers' Association



6/20/11

Robert Sapien, President
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